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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

2003 JAN 21 A 9:00

MARC SPITZER, Chairman
JIM IRVIN
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON

AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF:

DOCKET NO. S-03491A-02-0000

AMERICAN NATIONAL MORTGAGE
PARTNERS, L.L.C.
15021 N. 74th Street, Ste. 100
Scottsdale, AZ 85260

SECURA INNOVATIVE INVESTMENT, INC.
15021 N. 74th Street, Ste. 100
Scottsdale, AZ 85260

SECURA MORTGAGE MANAGEMENT, L.L.C.
15021 N. 74th Street, Ste. 100
Scottsdale, AZ 85260

CASH FLOW UNIVERSITY, INC.
15021 N. 74th Street, Ste. 100
Scottsdale, AZ 85260

SECURA FUND ARIZONA, L.L.C.
15021 N. 74th Street, Ste. 100
Scottsdale, AZ 85260

LARRY WILLIAM DUNNING and SHEILA
DUNNING, husband and wife
5635 East Lincoln Drive, #23
Paradise Valley, AZ 85253-4121

PHIL VIGARINO and JANE DOE VIGARINO,
husband and wife
15021 N. 74th Street, Ste. 100
Scottsdale, AZ 85260

ROBERT K. REHM
15021 N. 74th Street, Ste. 100
Scottsdale, AZ 85260

MARK KESLER and JANE DOE KESLER, husband
and wife
10783 W. Encanto Blvd.
Avondale, AZ 85323

FRANK CASPARE and GAIL CASPARE, husband
and wife
27 Taconic
Millwood, NY 10546-1125

Arizona Corporation Commission

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JAN 21 2003

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FIFTH
PROCEDURAL ORDER

1 **BY THE COMMISSION:**

2 On September 5, 2002, the Securities Division ("Division") of the Arizona Corporation
3 Commission ("Commission") filed a Temporary Order to Cease and Desist and Notice of
4 Opportunity for Hearing ("Notice") against American National Mortgage Partners, L.L.C., Secura
5 Innovative Investment, Inc, Secura Mortgage Management, L.L.C., Cash Flow University, Inc,
6 Secura Fund Arizona, L.L.C., Larry William Dunning and Sheila Dunning, Phil Vigarino and Jane
7 Doe Vigarino, Robert K. Rehm, Mark Kesler and Jane Doe Kesler and Frank Caspare and Gail
8 Caspare (collectively the "Respondents") in which the Division alleged that Respondents have
9 engaged in acts, practices, and transactions that constitute violations of the Arizona Securities Act
10 ("Act").

11 On September 25, 2002, Alan S. Baskin, on behalf of Respondents Cash Flow University, Inc.
12 and Larry Dunning, and Tom Galbraith, on behalf of American National Mortgage Partners, L.L.C.,
13 Frank Caspare and Gail Caspare, filed requests for a hearing.

14 On September 27, 2002, Charles R. Berry, on behalf of Respondents American National
15 Mortgage Partners, L.L.C., Secura Innovative Investment, Inc., Secura Mortgage Management,
16 L.L.C., Secura Fund Arizona, L.L.C. and Robert K. Rehm, filed a request for a hearing.

17 On October 10, 2002, Mark D. Chester, on behalf of Phil Vigarino and Mark Kesler, filed a
18 request for hearing.

19 On October 15, 2002, the Commission issued a Procedural Order that set this matter for a pre-
20 hearing conference on October 21, 2002.

21 On October 21, 2002, the pre-hearing was held as scheduled. The Respondents were
22 represented by counsel, however, American National Mortgage Partners, L.L.C., and the Caspares
23 were represented by Michael Salcido. Mr. Salcido indicated that he needed to file a Notice of
24 Substitution of Counsel as Tom Galbraith, who had originally requested a hearing on behalf of
25 American National Mortgage Partners, L.L.C. and the Caspares, was no longer representing those
26 parties. The Division also appeared with counsel. The Division's attorney stated that the parties
27 were still in the process of taking testimony from some witnesses, gathering information and
28 discussing possible settlement. The Division's attorney requested that this matter be set for another

1 pre-hearing conference in December. The Division's attorney stated that in December the parties
2 would have a better indication if this matter was going to settle or if this matter needed to be set for
3 hearing. None of the Respondents objected to the Division's request.

4 On October 30, 2002, the Commission issued a Procedural Order that re-set this matter for a
5 pre-hearing conference on December 16, 2002.

6 On December 16, 2002, the pre-hearing was held as scheduled. The Division appeared and
7 was represented by counsel. Although Mr. Chester, who represents Phil Vigarino and Mark Kesler,
8 was not present for the pre-hearing, he spoke telephonically to Mr. Berry prior to the hearing and Mr.
9 Barry indicated that he was able to speak on behalf of Mr. Chester at the pre-hearing. The remaining
10 Respondents were all represented by counsel at the hearing. The Division's attorney stated that the
11 parties were still in the process of taking testimony from some witnesses, gathering information and
12 discussing possible settlement. The Division's attorney requested that this matter be set for a hearing
13 in March, 2003. The Respondents agreed with setting this matter in March and agreed to waive the
14 applicable time limits in this matter.

15 On December 16, 2002, the Commission issued a Procedural Order which set this matter for
16 hearing on March 24, 2003.

17 On January 16, 2003, Charles Berry, counsel for Secura Innovative Investment, Inc., Secura
18 Mortgage Management, L.L.C., Secura Fund Arizona, L.L.C. and Robert K. Rehm, filed a document
19 captioned Notice of Withdrawal of Counsel, indicating that he had withdrawn as counsel for those
20 companies and Mr. Rehm. The Motion did not state a reason for the withdrawal, but it did indicate
21 that the companies and Mr. Rehm have been notified in writing of the status of the case and the time
22 and date of the hearing. The address and phone numbers of the companies and Mr. Rehm were
23 provided with the Motion; however, the Motion did not include an affidavit from the companies and
24 Mr. Rehm indicating that they consented to their counsel's withdrawal, and that the clients have made
25 suitable arrangements to be prepared for the hearing.

26 The Notice of Withdrawal filed by Mr. Berry failed to meet the requirements for a written
27 application to withdraw pursuant to Commission Rule A.A.C. R14-3-104(E), Rule 5.1(a)(2)(C) of the
28 Arizona Rules of Civil Procedure, and ER 1.16(b) of Rule 42 of the Arizona Rules of Professional

1 Conduct. Specifically, the Motion does not address the reason for withdrawal; why withdrawal can
2 be accomplished without a material adverse effect on the interest of his clients, especially since this
3 matter is set for a hearing; and there is no affidavit attached to the Motion stating the clients' consent
4 to his withdrawal, that they are advised of the trial date and they have made suitable arrangements to
5 prepare for the hearing set for March 24, 2003.

6 Accordingly, the motion to withdraw filed by Mr. Berry is insufficient.

7 IT IS THEREFORE ORDERED that the Notice of Withdrawal of Counsel filed by Mr. Berry
8 is insufficient.

9 IT IS FURTHER ORDERED that if Mr. Berry wishes to reurge this motion, then the motion
10 shall comply with Commission Rule A.A.C. R14-3-104(E), Rule 5.1(a)(2)(C) of the Arizona Rules of
11 Civil Procedural and ER 1.16 of Rule 42 of the Arizona Rules of Professional Conduct. Since this
12 matter is already set for hearing on March 24, 2003, then any further Motion to Withdraw shall
13 include a signed affidavit from the client(s) that not only complies with the rules stated above, but
14 also states that the clients understand that they must secure new counsel immediately so they can
15 proceeding to hearing on March 24, 2003 without delay.

16 DATED this 21 day of January, 2003.



PHILIP J. DION III
ADMINISTRATIVE LAW JUDGE

19 Copies of the foregoing mailed/delivered
20 this 21 day of January, 2003 to:

21 Charles R. Berry
22 TITUS, BRUECKNER & BERRY, P.C.
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24 7373 North Scottsdale Road
25 Scottsdale, AZ 85253
26 Attorneys for American National Mortgage Partners, L.L.C.
27 Secura Innovative Investments, Inc.
28 Secura Mortgage Management, L.L.C.
Secura Fund Arizona, L.L.C.
Robert K. Rehm

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4 Scottsdale, AZ 85260

5 Robert K. Rehm
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7 Alan S. Baskin
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Larry Dunning

10 Larry William Dunning and Sheila Dunning
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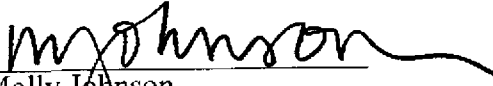
13 Phil Vigarino and Jane Doe Vigarino
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15 Michael Salcido
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16 40 N. Central, Ste. 1600
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17 Attorneys for Frank and Gail Caspare and
18 American Mortgage Partners, L.L.C.

19 Moira McCarthy
Assistant Attorney General
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20 Phoenix, Arizona 85007

21 W. Mark Sendrow, Director
Securities Division
22 ARIZONA CORPORATION COMMISSION
1300 West Washington Street
23 Phoenix, Arizona 85007

24 By:


25 Molly Johnson
26 Secretary to Philip J. Dion III